

BEFORE THE
POSTAL REGULATORY COMMISSION
WASHINGTON, D.C. 20268-0001

COMPETITIVE PRODUCT PRICES
PRIORITY MAIL CONTRACT 111 (MC2015-30)
NEGOTIATED SERVICE AGREEMENT

Docket No. CP2015-39

**NOTICE OF UNITED STATES POSTAL SERVICE OF
CHANGE IN PRICES PURSUANT TO
AMENDMENT TO PRIORITY MAIL CONTRACT 111**
(October 25, 2016)

The Postal Service hereby provides notice that prices under Priority Mail Contract 111, in the above-captioned proceeding, have changed as contemplated by the contract's terms. A redacted version of the amendment to Priority Mail Contract 111 is provided in Attachment A, and the unredacted amendment is being filed under seal. The amendment will become effective one business day after the day that the Commission completes its review of this filing.

The Postal Service is also filing supporting financial documentation and a certified statement as required by 39 C.F.R. § 3015.5. The certified statement required by 39 C.F.R. § 3015.5(c)(2) is provided in Attachment B. A redacted version of the supporting financial documentation is included with this filing as a separate Excel file. The Postal Service's original application for non-public treatment in this docket is hereby incorporated by reference for the protection of these materials.

Respectfully submitted,

UNITED STATES POSTAL SERVICE

By its attorneys:

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October 25, 2016

ATTACHMENT A

REDACTED AMENDMENT TO PRIORITY MAIL CONTRACT 111

**AMENDMENT
OF
SHIPPING SERVICES CONTRACT
BETWEEN
THE UNITED STATES POSTAL SERVICE
AND
[REDACTED]
REGARDING PRIORITY MAIL**

WHEREAS, the United States Postal Service ("the Postal Service") and [REDACTED] ("Customer") entered into a shipping services contract regarding Priority Mail on January 14, 2015.

WHEREAS, the Parties desire to amend Sections I.B, I.E, I.F, and I.G.

NOW, THEREFORE, the Parties agree that the contract is hereby amended as detailed below. The existing contract remains unchanged in all other respects. This amendment shall become effective one business day following the day on which the Commission issues all necessary regulatory approval and is not retroactive.

[Replace Sections I.B, I.E, I.F, and I.G in their entirety, as follows:]

I. Terms

- B. This contract applies to Customer's Priority Mail packages [REDACTED] ("Contract Packages").
- E. Volume Commitment. Customer shall ship at least [REDACTED] Priority Mail Packages annually.
- F. Priority Mail Prices. The following prices apply to Customer's Contract Packages, from this amendment's effective date, as provided in Section II, until the anniversary of the contract's effective date.
- [REDACTED]

G. Annual Adjustment

1. For subsequent years of the contract, customized prices under this contract will be the lesser of: (a) the previous year's prices plus the most recent cell by cell (as of the anniversary date) percentage change in prices of general applicability for Priority Mail Commercial Base, as calculated by the Postal Service, or (b) the previous year's prices plus [REDACTED]
2. Customized prices for the subsequent years will be calculated by the Postal Service and rounded up to the nearest whole cent.

IN WITNESS WHEREOF, the Parties hereto have caused this amendment to be duly executed as of the later date below:

UNITED STATES POSTAL SERVICE

Signed by: _____

Printed Name: _____

Title: _____

Date: _____

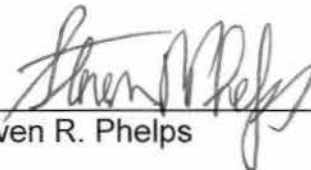
[Handwritten Signature]
[Handwritten Signature]
LUFF
UP Sales
9/30/16

ATTACHMENT B
SIGNED CERTIFICATION

Certification of Prices for Amendment to Priority Mail Contract 111

I, Steven R. Phelps, Manager, Regulatory Reporting and Cost Analysis, Finance Department, am familiar with the prices and terms for the amendment to Priority Mail Contract 111. The amended prices and terms contained in this Contract were established by the Decision of the Governors of the United States Postal Service on the Establishment of Prices and Classifications for Domestic Competitive Agreements, Inbound International Competitive Agreements, and Other Non-Published Competitive Rates (Governors' Decision No. 11-6).

I hereby certify, based on the financial analysis provided herewith, that the amended prices are in compliance with 39 U.S.C § 3633 (a)(1), (2), and (3). They are expected to cover attributable costs. There should therefore be no subsidization of competitive products by market dominant products. The amended contract should not impair the ability of competitive products on the whole to cover an appropriate share of institutional costs.



Steven R. Phelps